

CHAPTER IV: CHILD SUPPORT, HOUSEHOLD INCOME, AND PUBLIC ASSISTANCE AMONG PERSONS STILL OFF WELFARE

The previous chapter examined the earned income of respondents who were no longer on welfare at the time of the surveys. This chapter examines the broader financial situation of respondents who were still off welfare at the time of the surveys, including non-wage income, earnings of other household members, and continued receipt of non-welfare public assistance. The following topics are addressed in this chapter:

- receipt of child support;
- other income received directly by respondents;
- receipt of public assistance benefits;
- summary analysis of income and benefits of persons not working; and
- perceived adequacy of income and benefits in meeting family needs.

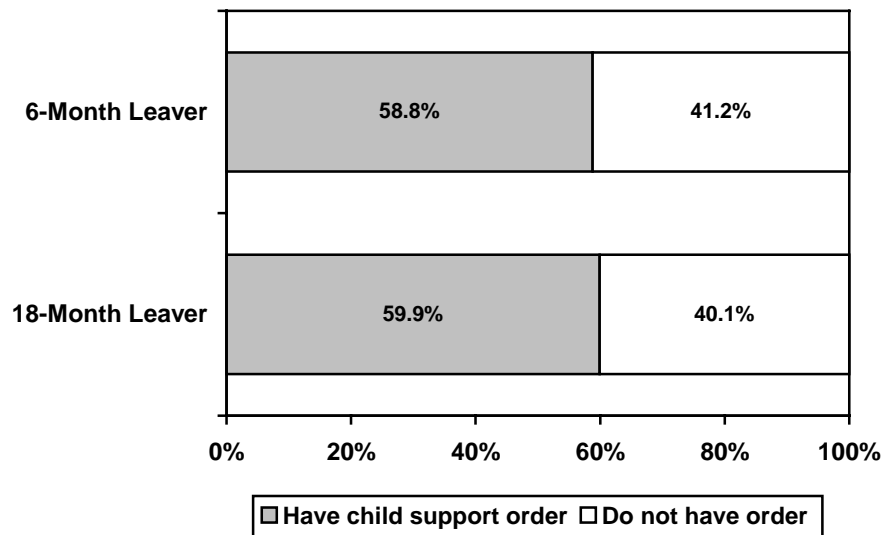
A. RECEIPT OF CHILD SUPPORT

This section presents findings on the receipt of child support by non-married respondents who had children living with them. Persons who were married and living with their spouses, and respondents who did not have children living in the household, were not included in the analysis.

Child Support Ordered

- The survey asked whether the father/mother of the respondent's child(ren) had been ordered to pay child support. As shown in Exhibit IV-1, 59 percent the non-married 6-month leavers and 60 percent of the non-married 18-month leavers reported that they had a child support order.

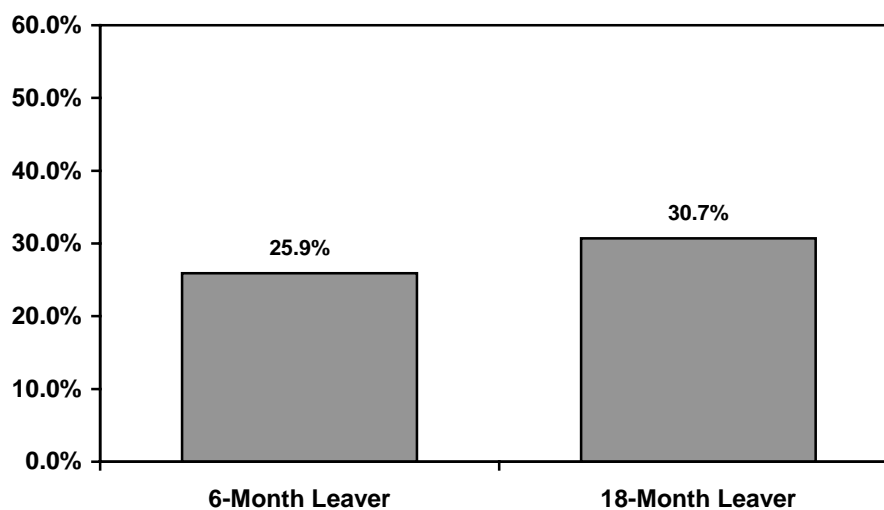
Exhibit IV-1 - Percent of Non-Married Respondents Who Had a Child Support Order (Cases Still Off Welfare)



Child Support Received

- Among respondents who were not married and living with their spouse, Exhibit IV-2 shows that 26 percent of the 6-month leavers and 31 percent of the 18-month leavers reported receiving child support at the time of the surveys.

Exhibit IV-2 - Percent of Non-Married Respondents Receiving Child Support (Cases Still Off Welfare)



Receipt of Child Support, by Respondent Characteristics

- As shown in Exhibit IV-3, persons who had attended college were slightly more likely than persons who had not completed high school to be receiving child support.
- Employed respondents were somewhat more likely than unemployed respondents to be receiving child support.
- Among employed respondents, those earning less than \$400 per month were the least likely to be receiving child support.
- Persons not living with other adults were somewhat more likely to be receiving child support than other respondents.
- Persons living in rural counties were much more likely to be receiving child support than persons in urban counties.

Exhibit IV-3

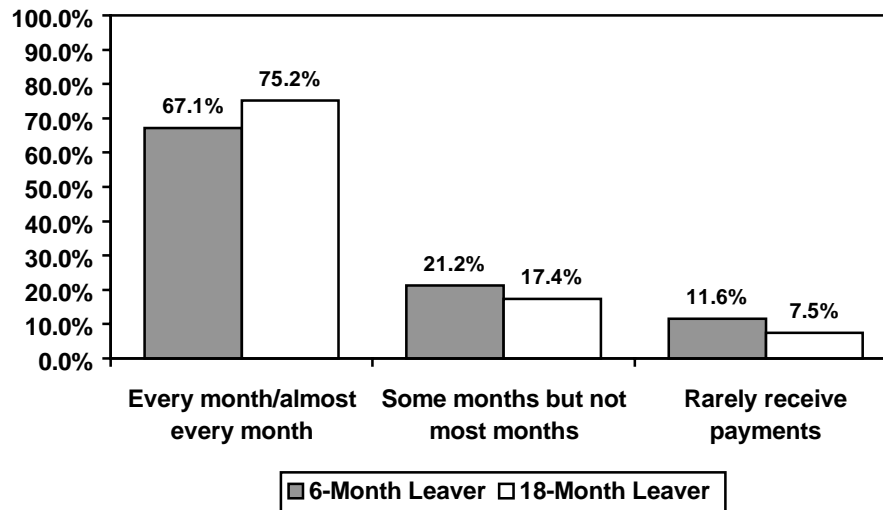
Percent of Non-Married Respondents Receiving Child Support, by Selected Characteristics

Characteristics	6-Month Leaver	18-Month Leaver
<i>Education</i>		
Did not complete high school or GED	22.2%	26.2%
Completed high school or GED only	28.8%	32.8%
Attended college	27.2%	32.2%
<i>Ethnicity</i>		
White	28.5%	29.3%
Black	24.3%	31.3%
<i>Employment Status</i>		
Working for pay	28.7%	31.8%
Not working for pay	22.7%	29.3%
<i>Monthly Earnings</i>		
\$1-\$400	21.4%	18.2%
\$401-\$800	28.6%	37.5%
\$801-\$1,200	28.3%	33.8%
\$1,201-\$1,600	28.9%	29.1%
\$1,601+	29.5%	30.5%
<i>Number of Hours Worked</i>		
40+	29.6%	29.5%
30 to 39	31.1%	33.3%
20 to 29	23.4%	31.1%
Less than 20	23.8%	42.1%
<i>Presence of Other Adults</i>		
No other adults	29.5%	32.9%
One or more other adults	20.0%	26.4%
<i>County Type</i>		
Urban	18.6%	21.9%
Rural	33.1%	38.0%

Frequency of Child Support Payments

- Respondents who reported receiving child support payments were asked about the regularity of those payments.
- Exhibit IV-4 shows, among the 6-month leavers sample, 67 percent of the respondents who were receiving child support payments received payments every month or almost every month. The percentage for the 18-month leaver sample was 75 percent.
- Combining the data from Exhibit IV-2 and IV-4, we find that among all non-married respondents in the 6-month leavers sample, only 17 percent were receiving payments every month or almost every month. The percentage for the 18-month leavers sample was 23 percent.

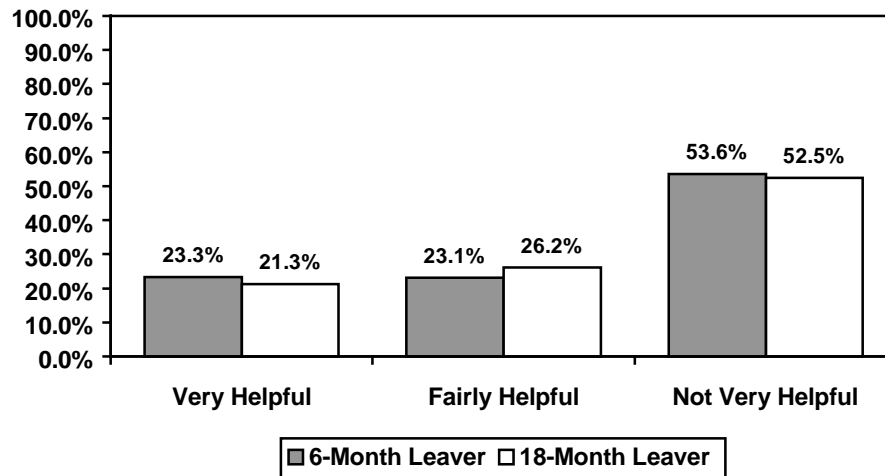
**Exhibit IV-4 - Respondents Who Receive Child Support -
How Frequent are the Payments? (Cases Still Off Welfare)**



Perceived Helpfulness of the Child Support Agency

- Exhibit IV-5 shows that among respondents who had asked the child support agency for assistance, 23 percent of the 6-month leavers sample and 21 percent of the 18-month leavers sample rated the agency as very helpful in securing child support payments.

Exhibit IV-5 - Respondents Who Had Asked the Child Support Agency for Help - How Helpful Was the Agency in Securing Child Support? (Cases Still Off Welfare)

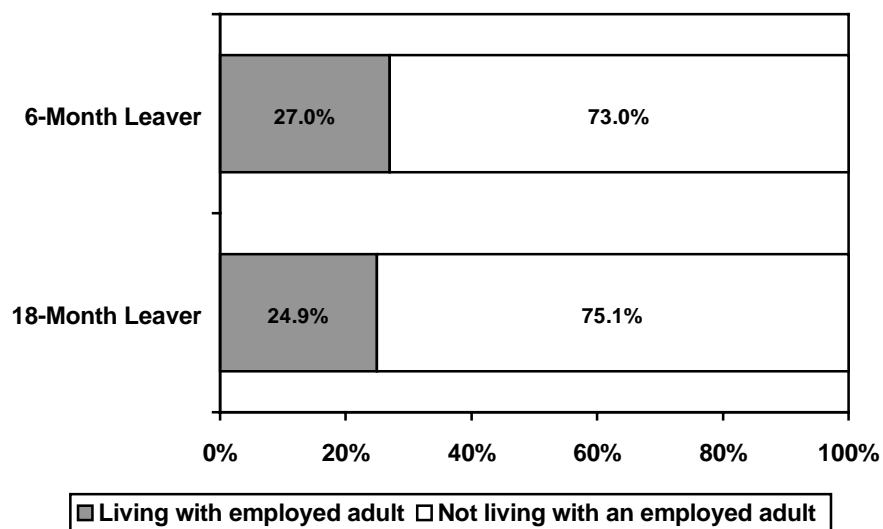


B. OTHER SOURCES OF INCOME FOR RESPONDENTS STILL OFF WELFARE

Employment of Other Adults in the Household

- As indicated in Exhibit IV-6, about 27 percent of the 6-month leavers and 25 percent of the 18-month leavers reported that they were living with at least one other adult who was working.

Exhibit IV-6 - Respondents Still Off Welfare - Percent Living with an Employed Adult



Income Potentially Available to Respondents

- Exhibit IV-7 provides a summary of the situation of respondents in terms of the following major types of income:
 - the respondent's own employment;
 - income potentially available from the employment of other family members;
 - SSI benefits received by the respondent; and
 - receipt of child support income.
- Overall, 65 percent of the 6-month leavers sample and 69 percent of the 18-month leavers sample were either working or living with an employed adult.
- Another 16 percent of the 6-month leavers sample and 15 percent of the 18-month leavers sample were not working or living with an employed adult but were receiving SSI or child support.
- The remaining 19 percent of the 6-month leavers sample and 16 percent of the 18-month leavers did not report any income from the above sources.

Exhibit IV-7 Employment and Income Status of Respondents Still Off Welfare

Respondent Status	6-Month Leaver	18-Month Leaver
Working for pay	52.2%	55.6%
Not working but living with an employed adult	12.7%	13.7%
<i>Subtotal</i>	<i>64.9%</i>	<i>69.3%</i>
Not working or living with an employed adult but receiving child support or SSI	15.7%	14.8%
No income reported	19.4%	15.8%
Total	100.0%	100.0%

Percent Reporting No Income, by Selected Characteristics

- Exhibit IV-8 shows the percentage of respondents who reported no income from the four income sources, by respondent characteristics.
- In both samples, less educated respondents were much more likely to report no income than persons who had attended college. This partly reflects the fact that persons who had attended college were employed at higher rates than persons who had not completed high school.
- Persons who left Work First because of time limits were much more likely to report no income than persons who left for employment.
- Persons with no other adults in the household were much more likely to report having no income from the four sources.

Exhibit IV-8
Respondents Still Off Welfare - Percent with No Reported
Income, by Selected Characteristics

Characteristics	6-Month Leaver	18-Month Leaver
<i>Education</i>		
Did not complete high school or GED	23.1%	18.9%
Completed high school or GED only	19.7%	16.3%
Attended college	13.3%	11.6%
<i>Ethnicity</i>		
White	16.2%	14.1%
Black	20.5%	15.2%
<i>Presence of Other Adults</i>		
No other adults	25.8%	21.2%
One or more other adults	11.7%	8.4%
<i>Reason Left Welfare</i>		
Found a job/got a higher paying job or more hours	14.8%	12.9%
Time limits	28.8%	24.1%
Other reasons	23.6%	19.1%
<i>County Type</i>		
Urban	21.7%	16.6%
Rural	17.3%	15.2%

Use of Public Assistance by Persons Reporting No Income

- As shown in Exhibit IV-9, about 80 percent of the 6-month leavers who reported no income from the four sources listed above said that they were receiving Food Stamps. The figure for the 18-month leavers was 72 percent.
- Almost 27 percent of the 6-month leavers with no reported income were in public housing, compared to 25 percent of the 18-month leavers.
- About 23 percent of the 6-month leavers who reported no income were receiving rent subsidies through Section 8, compared to 19 percent of the 18-month leavers.

Exhibit IV-9
**Self-Reported Participation in Selected Public Assistance Programs,
 by Respondents Still Off Welfare and Reporting No Household Income**

Program	6-Month Leaver	18-Month Leaver
Food Stamps	80.5%	72.4%
Section 8 housing	23.4%	19.4%
Public housing	26.6%	25.5%
Fuel assistance	11.7%	14.6%
Transportation assistance	10.9%	5.2%

Sources of Income Among Unemployed Respondents

- Exhibits IV-10 shows the percentage of *unemployed respondents* who reported income from the four sources identified above.
- Of unemployed persons, about 25 percent in both samples were receiving SSI benefits.
- Of unemployed non-married respondents with children, about 21 percent of the 6-month leavers and 27 percent of the 18-month leavers were receiving child support.
- About 26 percent of unemployed respondents in the 6-month leaver sample were living with an employed adult. In the 18-month leaver sample, 31 percent of unemployed respondents were living with an employed adult.
- Almost 42 percent of unemployed respondents in the 6-month leaver sample reported no income from SSI or child support or from other adults living in the household. The percentage was 36 percent in the 18-month leaver sample.

Exhibit IV-10

Sources of Income Among Unemployed Respondents*

Type of Income	6-Month Leaver	18-Month Leaver
Receiving SSI benefits	25.2%	25.1%
Receiving child support**	21.5%	26.7%
Living with employed adult	26.4%	30.9%
No income reported	40.7%	35.6%

*Excludes non-cash public assistance. Percentages add to more than 100 percent because some respondents had multiple sources of income.

**Excludes married respondents living with their spouse and respondents without children.

C. CONTINUED RECEIPT OF PUBLIC ASSISTANCE BY FAMILIES STILL OFF WELFARE

- Respondents were asked whether they continued to receive various types of public assistance even though they were no longer on Work First.
- As shown in Exhibit IV-11, the percentage of respondents living in a household receiving Medicaid was 89 percent for the 6-month leaver sample and 82 percent for the 18-month leaver sample.
- Food stamp participation was 60 percent for the 6-month leaver sample and 57 percent for the 18-month leaver sample.
- Almost 31 percent of the 6-month leaver sample and 29 percent of the 18-month leaver sample were receiving WIC benefits.
- About 15 percent of the 6-month leaver sample and 14 percent of the 18-month leaver sample were in public housing.
- About 17 percent of the respondents in both samples were receiving SSI or SSDI.

Exhibit IV-11 Respondents Still off Welfare - Self-Reported Participation in Public Assistance Programs

Program	6-Month Leaver	18-Month Leaver
Medicaid*	88.6%	82.3%
Food Stamps	60.5%	57.2%
WIC	30.8%	29.1%
Public housing	15.4%	14.5%

Section 8 housing	14.8%	17.8%
Fuel assistance	6.9%	9.2%
SSI/SSDI	16.8%	17.2%
Transportation	6.9%	5.2%

* For the respondent or a family member.

Receipt of Public Assistance, by Employment Status and Earnings

- Exhibit IV-12 shows that the rates of participation in Medicaid and Food Stamps were higher among unemployed persons. As indicated above, about 25 percent of the unemployed respondents in both samples were receiving SSI or SSDI benefits.
- Exhibit IV-13 indicates that participation in public assistance programs by employed respondents was lower among persons earning less than \$400 per month than among persons earning \$800 to \$1,200.

Exhibit IV-12 Participation in Public Assistance Programs, by Employment Status

Program	6-Month Leaver		18-Month Leaver	
	Working for Pay	Not Working for Pay	Working for Pay	Not Working for Pay
Food Stamps	50.9%	71.0%	49.4%	66.9%
Medicaid*	85.6%	91.8%	78.0%	88.4%
Health Choice	23.6%	21.7%	28.6%	23.8%
Section 8 housing	13.6%	16.1%	20.1%	14.9%
Public housing	12.1%	18.9%	11.3%	18.0%
WIC	31.5%	30.0%	28.5%	29.8%
School breakfast/lunch	57.8%	67.8%	62.8%	59.6%
Transportation	4.9%	9.1%	4.1%	6.6%
SSI/SSDI	9.2%	25.2%	11.0%	25.1%
Fuel assistance	4.1%	10.1%	7.3%	11.7%

* For the respondent or a family member.

Exhibit IV-13 Participation in Public Assistance Programs by Employed Respondents, by Monthly Earnings

Program	6-Month Leaver				
	\$1-\$400	\$401-\$800	\$801-\$1,200	\$1,201-\$1,600	\$1,600+
Food Stamps	56.3%	64.3%	61.3%	47.7%	16.7%
Medicaid*	75.0%	94.3%	92.5%	82.6%	68.5%
Health Choice	42.9%	25.0%	20.7%	19.2%	30.8%
Section 8 housing	6.3%	18.6%	17.9%	12.8%	3.7%
Public housing	18.8%	20.0%	9.4%	11.6%	3.7%
WIC	18.8%	37.1%	32.1%	34.9%	20.4%
School breakfast/lunch	62.5%	55.7%	64.2%	54.7%	51.9%

Transportation	6.3%	2.9%	6.6%	3.5%	5.6%
SSI/SSDI*	6.3%	12.9%	13.2%	4.7%	5.6%
Fuel assistance	6.3%	7.2%	6.6%	1.2%	0.0%
18-Month Leaver					
Program	\$1-\$400	\$401-\$800	\$801-\$1,200	\$1,201-\$1,600	\$1,600+
Food Stamps	72.7%	78.6%	64.3%	36.2%	13.8%
Medicaid*	81.8%	81.4%	82.1%	84.0%	63.1%
Health Choice	12.5%	31.0%	26.8%	22.8%	38.5%
Section 8 housing	27.3%	20.0%	19.0%	22.3%	16.9%
Public housing	9.1%	18.6%	13.1%	7.4%	9.2%
WIC	27.3%	35.7%	32.1%	29.8%	21.5%
School breakfast/lunch	63.6%	64.3%	70.2%	62.8%	52.3%
Transportation	9.1%	8.6%	4.8%	1.1%	1.5%
SSI/SSDI*	18.2%	17.1%	8.3%	7.4%	12.3%
Fuel assistance	9.1%	10.0%	8.3%	6.4%	1.5%

* For the respondent or a family member.

Receipt of Public Assistance by Education

- As indicated in Exhibit IV-14, use of public assistance programs was generally higher among persons with less education. The exception was the Health Choice program.

Exhibit IV-14 Participation in Public Assistance Programs, by Education

Program	6-Month Leaver			18-Month Leaver		
	Did Not Complete High School or GED	Completed High School or GED Only	Attended College	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
Food Stamps	64.3%	62.0%	53.2%	67.0%	60.1%	45.2%
Medicaid*	90.8%	86.8%	89.0%	89.7%	81.1%	78.4%
Health Choice	20.0%	25.9%	20.9%	17.6%	29.7%	29.2%
Section 8 housing	12.6%	15.6%	16.8%	16.8%	20.2%	16.1%
Public housing	18.9%	15.6%	9.8%	16.8%	12.4%	15.1%
WIC	30.3%	30.8%	31.2%	31.4%	33.5%	22.1%

School breakfast/lunch	60.9%	67.2%	59.0%	64.9%	63.5%	56.3%
Transportation	8.8%	3.6%	8.7%	9.7%	3.9%	8.7%
SSI/SSDI*	19.3%	17.2%	13.3%	21.6%	15.9%	15.1%
Fuel assistance	7.6%	7.2%	5.8%	9.7%	7.7%	10.6%

* For the respondent or a family member.

Receipt of Public Assistance by Ethnicity

- As indicated in Exhibit IV-15, whites had lower participation rates than blacks for all assistance programs except Medicaid and SSI.

Exhibit IV-15 Participation in Public Assistance Programs, by Ethnicity

Program	6-Month Leaver		18-Month Leaver	
	White	Black	White	Black
Food Stamps	56.0%	64.2%	42.6%	63.1%
Medicaid*	90.4%	89.1%	81.4%	82.9%
Health Choice	20.0%	23.9%	18.4%	30.8%
Section 8 housing	7.8%	18.0%	11.0%	21.1%
Public housing	9.0%	18.9%	7.1%	17.4%
WIC	28.9%	32.0%	23.2%	31.2%
School breakfast/lunch	50.6%	66.9%	51.6%	65.6%
Transportation	4.8%	7.5%	3.2%	5.4%
SSI/SSDI*	19.2%	14.6%	16.0%	15.2%
Fuel assistance	4.8%	7.8%	7.1%	9.6%

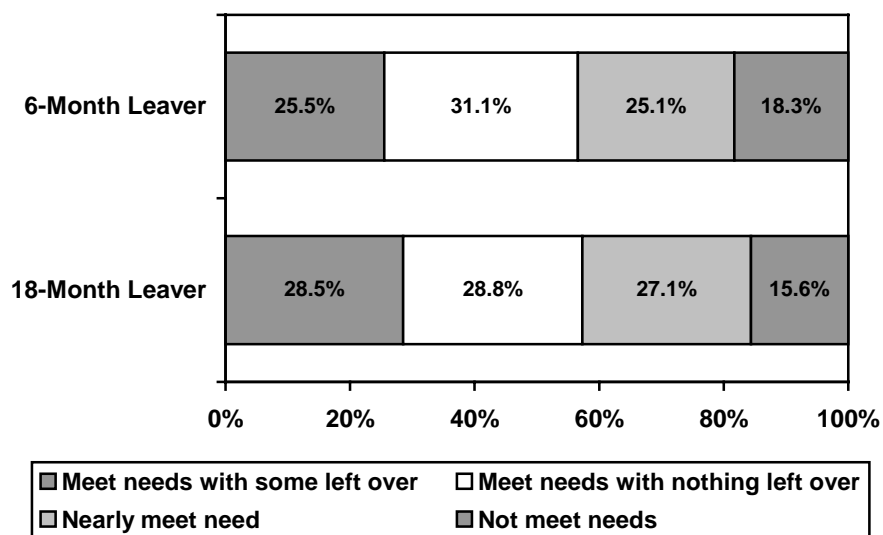
* For the respondent or a family member.

D. PERCEIVED ADEQUACY OF INCOME AND BENEFITS

Respondents who were still off welfare at the time of the surveys were asked to assess whether their family's combined income and benefits were adequate to meet their family's needs. The key findings are as follows:

- As indicated in Exhibit IV-16, almost 57 percent of the 6-month leaver sample and 57 percent of the 18-month leaver sample felt that their family's income and benefits met their needs.
- About 18 percent of the 6-month leaver sample and 16 percent of the 18-month leaver sample felt that their income and benefits definitely did not meet their needs.

**Exhibit IV-16- Perceived Adequacy of Income and Benefits
in Meeting Family's Needs - Persons Still Off Welfare**



Perceived Income Adequacy among Sub-Groups

- Exhibit IV-17 shows how perceived income adequacy varied among sub-groups of respondents.
- The data indicate that perceived income adequacy did not vary significantly by educational level or by ethnicity in either sample.
- Perceived income adequacy was somewhat higher among employed respondents.
- For employed respondents, perceived income adequacy varied by earnings.

Exhibit IV-25
**Percent of Respondents Believing Income and Benefits
Adequate to Meet Family's Needs,
by Selected Characteristics**

Characteristics	6-Month Leaver	18-Month Leaver
<i>Education</i>		
Did not complete high school or GED	53.8%	53.5%
Completed high school or GED only	56.8%	59.6%
Attended college	60.1%	58.3%
<i>Ethnicity</i>		
White	54.0%	56.1%
Black	58.2%	57.7%
<i>Employment Status</i>		
Working for pay	61.1%	64.3%

Not working for pay	51.8%	48.7%
<i>Monthly Earnings</i>		
\$1-\$400	31.3%	54.6%
\$401-\$800	52.2%	45.7%
\$801-\$1,200	59.4%	64.3%
\$1,201-\$1,600	69.8%	71.3%
\$1,601+	67.5%	78.5%
<i>Presence of Other Adults</i>		
No other adults	54.7%	57.1%
One or more other adults	59.1%	58.0%
<i>Reason Left Welfare</i>		
Found a job/returned to a job/got a higher paying job or more hours	59.1%	63.0%
Reached the time limit	55.8%	51.0%
Other	56.0%	46.8%
<i>County Type</i>		
Urban	54.7%	59.1%
Rural	58.4%	56.0%

*Percent stating "meet needs with some left over" and meet need with nothing left over".